

**Statement of PPL Montana
Before the House Natural Resources Committee
Of the Montana House of Representatives
In Opposition to House Bill No. 88
January 17, 2007**

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Mr. Chairman and members of the Committee:

I am Mark Lambrecht, Manager of Regulatory Affairs for PPL Montana.

PPL Montana opposes House Bill 88 because it represents a new regulation in search of an environmental problem. PPL Montana's commitment to the environment is represented by the 32,000 tons of ash per year it markets for beneficial re-use in cement manufacturing, road construction and other applications. It is also represented by the million tons per year of fly ash, scrubber slurry and bottom ash it treats in its containment systems.

The Montana Department of Environmental Quality recognizes the efforts PPL Montana takes to protect the environment with its ash management systems. The agency made an effort to exempt these systems in draft regulations and attempted to offer similar protections in the language of this bill. However, close scrutiny of the language of both leaves this exemption open to interpretation and uncertainty. This uncertainty could ultimately require unnecessary changes to the treatment system used at Colstrip that would provide no additional environmental protection.

If there are specific situations in which ash waste is affecting Montana's environment, those problems should be addressed through enforcement of existing regulation, not by legislation such as House Bill 88.

The Department of Environmental Quality has also realized success in the past addressing environmental issues with outreach programs that result in voluntary compliance and environmental improvements. Such an approach would help protect Montana while preserving the flexibility necessary for addressing the individual issues inherent to the different types of coal-fired electrical generating units.

The Department of Environmental Quality included us and other representatives from Montana's coal-fired electrical generating units in a stakeholder process to discuss a regulatory framework should this bill be passed into law. I'd like to thank Ed Thamke and Rick Thompson for listening to our concerns and for making the process fair and reasonable. I'd also like to thank Representative Dickenson for her integrity and openness in our discussions about this bill.

PPL Montana encourages the members of the Committee to give this legislation a "do not pass" recommendation.

Thank you for the opportunity to comment.